**Olympia office:**

P.O. Box 40600
Olympia, WA 98504-0600

Phone:

360-786-7996

**Toll-free Legislative
Hotline:**

1-800-562-6000

**TDD (for hearing –
impaired):**

1-800-635-9993

E-mail:

kirby.steve@leg.wa.gov

Web page:

<http://www.leg.wa.gov/house/kirby/>

Committees:

Financial Institutions &
Insurance - Chair
Public Safety & Emergency
Preparedness
Judiciary



Printed on recycled paper

Representative Steve Kirby

29th District

Spring 2010

Dear Neighbor,

Well, it wasn't pretty, but we did it.

Last year we tackled a \$9 billion revenue shortfall by adopting a budget that was balanced with billions of dollars in cuts, federal stimulus money, government efficiencies – **and no new taxes**. This year, hit with another \$2.8 billion budget gap, we faced down the **biggest economic crisis in state history** by balancing the budget through a combination of additional program cuts, more efficiency measures, and recapturing revenues – primarily by **eliminating tax loopholes and going after tax evaders**. My goal from the beginning was to avoid a general tax increase, and for the most part that's what happened.

We ran into problems when the state Senate took a different approach – an approach that I opposed. They opted for a temporary increase in the state sales tax to make up a big portion of the budget shortfall. My concern was that the temporary tax increase might not turn out to be so temporary, and that it would place more of the tax burden on those who can least afford it. It took a special session, and I had to vote for a few things that I think are questionable, but **we finally reached a compromise that doesn't include raising the sales tax**.

One very questionable item is the **hundred million dollars of revenue some people expect** from the dollar-a-pack tax increase on cigarettes. Not that I'm in favor of smoking or cancer or anything like that, but that tax is now so high that consumers are no longer buying a pack of cigarettes; they're buying a pack of taxes with a few cigarettes thrown in. If a significant number of people quit or switch to a non-taxed alternative, then **we're likely to see a decrease in revenue – not an increase**. And even if that loss of revenue is offset by a reduction in health-care costs over time, which would be good, it won't help our budget for several years – if ever.

Fortunately, it wasn't all about cuts and taxes this session. We took on this **unprecedented economic crisis** by passing a package of legislation designed to create **tens of thousands of jobs** throughout the state, and by investing in education reforms to ensure that our people are prepared for the 21st century economy – one that runs more on brainpower than horsepower. Hopefully those measures will **enhance our economic recovery**.

The good news is that severe budget cuts, and sacrifices on the part of a lot of good, dedicated public employees have **made our state a much leaner operation** while continuing to meet the most basic needs of our citizens and businesses. That's probably the most we can hope for in these tough economic times.

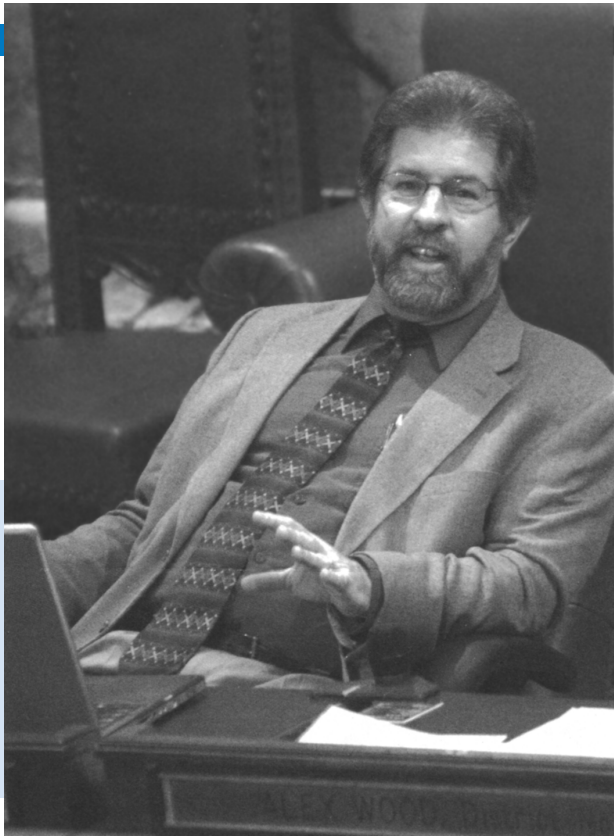
Best wishes,

Steve Kirby

State Representative
29th Legislative District

*"It took a special session,
and I had to vote for a few things that
I think are questionable, but we finally
reached a compromise that doesn't
include raising the sales tax."*

**Representative
Steve Kirby
29th District**



PRSRRT STD
US POSTAGE PAID
WA STATE DEPT
OF PRINTING 98501

Representative Steve Kirby
PO Box 40600
Olympia, WA 98504-0600